

SENATE BILL REPORT

SB 5953

As of February 25, 2009

Title: An act relating to security amounts for certain marine vessel contracts.

Brief Description: Eliminating the requirement that security amounts for certain marine vessel contracts adequately protect one hundred percent of the state's or county's exposure to loss.

Sponsors: Senators Kilmer, Ranker, Haugen, Marr and Rockefeller.

Brief History:

Committee Activity: Transportation: 2/23/09.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Janice Baumgardt (786-7319)

Background: State law requires a contractor's bond for all public works contracts in excess of \$100,000 to be in an amount equal to the full contract price.

On contracts for the construction, maintenance, or repair of marine vessels, the Washington State Department of Transportation (WSDOT) is allowed to substitute alternative forms of security in lieu of all or a portion of the bond required. The Secretary of WSDOT is required to predetermine and provide, in the bid package, the amount of the alternative security or bond. The bond or alternative security must be in an amount adequate to protect 100 percent of the state's exposure to loss.

Summary of Bill: The requirement that the bond or alternative security must be in an amount to protect 100 percent of the state's exposure to loss is removed.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: None.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Persons Testifying: No one.